

AMENDED IN SENATE APRIL 7, 2003

SENATE BILL

No. 595

Introduced by Senator Johnson

February 20, 2003

An act to amend Section 401 of 1033 of, and to add Section 1326.5 to, the Unemployment Insurance Code, relating to unemployment insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 595, as amended, Johnson. ~~Unemployment Insurance Appeals Board; attorney membership insurance; Employment Development Department.~~

Existing law requires employers to pay to the Employment Development Department contributions for the Unemployment Fund, and requires the Director of Employment Development to maintain a separate reserve account in that fund for each employer. Each employer's reserve account is credited with all contributions paid on each employer's behalf, and unemployment compensation benefits paid to an unemployed individual are charged against the reserve account of the individual's employer.

Existing law requires the director, not less frequently than once each year, to furnish each employer with an itemized statement of the charges to the reserve account, and a statement of the reserve account showing the credits and charges, the net balance of the reserve account, and the contribution rate for the applicable rating period.

This bill would instead require the director to furnish each employer with these statements on a quarterly basis. This bill would also authorize the department to electronically transmit the itemized

statement of charges to any employer that electronically transmits its payroll information to the department.

This bill would also require the department to notify a claimant's employer within 5 business days when the claimant reports on the application for unemployment insurance benefits an address that differs from the address the department has on record for that claimant.

~~Existing law establishes the Unemployment Insurance Appeals Board to consist of 7 members, appointed as provided, and requires, among other things, that the membership of the board include 2 attorneys admitted to practice in the State of California.~~

~~This bill would make technical, nonsubstantive changes in that provision.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 401 of the Unemployment Insurance~~
2 ~~Code is amended to read:~~
3 ~~401. There is in the department an Appeals Division~~
4 ~~consisting of the California Unemployment Insurance Appeals~~
5 ~~Board and its employees. The appeals board consists of seven~~
6 ~~members. Five members shall be appointed by the Governor,~~
7 ~~subject to the approval of the Senate. One member shall be~~
8 ~~appointed by the Speaker of the Assembly, and one member shall~~
9 ~~be appointed by the Senate Rules Committee. Two of the members~~
10 ~~of the appeals board shall be attorneys at law admitted to practice~~
11 ~~in the State of California. The other members need not be~~
12 ~~attorneys. Each member of the board shall devote his or her full~~
13 ~~time to the performance of his or her duties. The chairperson and~~
14 ~~each member of the board shall receive the annual salary provided~~
15 ~~for by Chapter 6 (commencing with Section 11550) of Part 1 of~~
16 ~~Division 3 of Title 2 of the Government Code. The Governor shall~~
17 ~~designate the chairperson of the appeals board from the~~
18 ~~membership of the appeals board. The person so designated shall~~
19 ~~hold the office of chairperson at the pleasure of the Governor. The~~
20 ~~chairperson shall designate a member of the appeals board to act~~
21 ~~as chairperson in his or her absence.~~
22 ~~SECTION 1. Section 1033 of the Unemployment Insurance~~
23 ~~Code is amended to read:~~

1 1033. (a) The director shall ~~not less frequently than once~~
2 ~~each year~~ *on a quarterly basis* furnish each employer with an
3 itemized statement of the charges to the reserve account, *in*
4 *chronological order*, and a statement of the reserve account
5 showing the credits and charges, the net balance of the reserve
6 account, and the contribution rate for the applicable rating period.

7 (b) *The director may electronically transmit the itemized*
8 *statement of the charges to any employer that electronically*
9 *transmits its payroll information to the department.*

10 SEC. 2. *Section 1326.5 is added to the Unemployment*
11 *Insurance Code, to read:*

12 1326.5. *The department shall notify a claimant's employer*
13 *within five business days of the claimant's filing of an application*
14 *for unemployment insurance that indicates an address that is*
15 *different from the address the department has on file for that*
16 *claimant.*

